

110TH CONGRESS
2D SESSION

H. R. 7279

To provide for a 3-year suspension of the minimum distribution requirements for defined contribution plans.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 19, 2008

Mrs. BIGGERT introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To provide for a 3-year suspension of the minimum distribution requirements for defined contribution plans.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Seniors’ Investment
5 Security Act of 2008”.

6 **SEC. 2. SUSPENSION OF MINIMUM DISTRIBUTION RE-**
7 **QUIREMENTS.**

8 (a) IN GENERAL.—In the case of a defined contribu-
9 tion plan—

1 (1) section 401(a)(9) of the Internal Revenue
2 Code of 1986 shall not apply during the suspension
3 period,

4 (2) in lieu of the calendar year specified in sub-
5 paragraph (C)(i) of section 401(a)(9) of such Code,
6 the calendar year specified in such subparagraph
7 shall be the later of—

8 (A) the calendar year described in such
9 subparagraph (C)(i), or

10 (B) calendar year 2011, and

11 (3) after the end of the suspension period, no
12 part of the suspension period shall be taken into ac-
13 count for purposes of applying any time limitation in
14 section 401(a)(9) of such Code.

15 (b) SUSPENSION PERIOD.—For purposes of this sec-
16 tion, the term “suspension period” means the period be-
17 ginning on January 1, 2008, and ending on December 31,
18 2010.

19 (c) APPLICATION TO CERTAIN OTHER PLANS.—The
20 following sections shall be applied for the suspension pe-
21 riod under rules similar to the rules of subsection (a) of
22 this section—

23 (1) in the case of a defined contribution plan,
24 subsections (a) and (b) of section 403, and section
25 408 of such Code, and

1 (2) in the case of an eligible deferred compensa-
2 tion plan described in section 457(b) of such Code
3 which is maintained by an eligible employer de-
4 scribed in section 457(e)(1)(A) of such Code, section
5 457 of such Code.

6 (d) PROVISIONS RELATING TO PLAN AMEND-
7 MENTS.—

8 (1) IN GENERAL.—If this section applies to any
9 plan or annuity contract, such plan or contract shall
10 be treated as being operated in accordance with the
11 terms of the plan during the period described in
12 paragraph (2)(B)(i).

13 (2) AMENDMENTS TO WHICH SECTION AP-
14 PLIES.—

15 (A) IN GENERAL.—This section shall apply
16 to any amendment to any plan or annuity con-
17 tract which is made—

18 (i) pursuant to this section or pursu-
19 ant to any regulation issued by the Sec-
20 retary of the Treasury to carry out this
21 section, and

22 (ii) on or before the last day of the
23 first plan year beginning on or after Janu-
24 ary 1, 2010.

1 (B) CONDITIONS.—This section shall not
2 apply to any amendment unless—

3 (i) during the period—

4 (I) beginning on the first day of
5 the suspension period, and

6 (II) ending on the date described
7 in subparagraph (A)(ii) (or, if earlier,
8 the date the plan or contract amend-
9 ment is adopted), the plan or contract
10 is operated as if such plan or contract
11 amendment were in effect, and

12 (ii) such plan or contract amendment
13 applies retroactively for such period.

14 (e) EFFECTIVE DATE.—

15 (1) IN GENERAL.—This section shall take effect
16 on the date of the enactment of this Act.

17 (2) RECONTRIBUTION OF DISTRIBUTIONS BE-
18 FORE DATE OF ENACTMENT.—

19 (A) IN GENERAL.—Any individual who re-
20 ceives a payment or distribution during the pe-
21 riod beginning on January 1, 2008, and ending
22 on the date of the enactment of this Act from
23 a plan to which subsection (a) or (c) of this sec-
24 tion applies may, before the end of the suspen-
25 sion period, make one or more contributions in

1 an aggregate amount not to exceed the amount
2 of such payments or distributions to an eligible
3 retirement plan of which such individual is a
4 beneficiary and to which a rollover contribution
5 of such distribution could be made under sec-
6 tion 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or
7 457(e)(16) of such Code, as the case may be.

8 (B) TREATMENT OF REPAYMENTS OF DIS-
9 TRIBUTIONS FROM ELIGIBLE RETIREMENT
10 PLANS OTHER THAN IRAS.—For purposes of
11 the Internal Revenue Code of 1986, if a con-
12 tribution is made pursuant to subparagraph (A)
13 to an eligible retirement plan other than an in-
14 dividual retirement plan, then the taxpayer
15 shall, to the extent of the amount of the con-
16 tribution, be treated as having received such
17 payments or distributions in an eligible rollover
18 distribution (as defined in section 402(c)(4) of
19 such Code) and as having transferred the
20 amount to the eligible retirement plan in a di-
21 rect trustee to trustee transfer within 60 days
22 of the distribution.

23 (C) TREATMENT OF REPAYMENTS FOR
24 DISTRIBUTIONS FROM IRAS.—For purposes of
25 the Internal Revenue Code of 1986, if a con-

1 tribution is made pursuant to subparagraph (A)
2 to an individual retirement plan (as defined by
3 section 7701(a)(37) of such Code), then, to the
4 extent of the amount of the contribution, such
5 payments or distributions shall be treated as a
6 distribution described in section 408(d)(3) of
7 such Code and as having been transferred to
8 the individual retirement plan in a direct trust-
9 ee to trustee transfer within 60 days of the dis-
10 tribution.

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